



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 23, 2010

Catherine Ziegler
Ziegler Chemical and Mineral Company
366 North Broadway, Suite 210
Jericho, New York 11753-2000

Subject: Acceptance of Amendment to Small Mining Activities, Ziegler Chemical & Mineral Corp., Neal 1-2-3-4-5 Mine, S/047/0063, Uintah County, Utah

Dear Ms. Ziegler:

The Division finds your amended Notice of Intention to Commence Small Mining Operations (Notice) complete. You are now permitted to conduct small mining activities as outlined in the amended Notice provided you have approval from all other appropriate agencies. The approval or acceptance of a complete notice of intention does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations. Please keep in mind the following regulatory requirements.

- Stockpiling topsoil material prior to beginning activities will help ensure successful revegetation. Even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory surety release.
- If you encounter any archaeological or historical items, you are asked to notify this office, and State History of your find.
- Permit fees are due July 30
- Annual reports are due by January 31st.

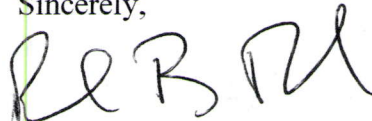
Enclosed please find a copy of the approved amendment to your Notice. The Division's web page at <http://ogm.utah.gov> under the Mining Program has a link to the rules under which you are expected to operate and to other information to assist you in complying with program requirements.



Page 2
Catherine Ziegler
Ziegler Chemical and Mineral Company
S/0470063
June 23, 2010

Thank you for your cooperation. In reply, please refer to file number S/047/0063. If you have questions or concerns regarding this letter, please contact me at 801-538-5261 or Leslie Heppler at 801-538-5257. Best wishes with your mining venture!

Sincerely,

A handwritten signature in black ink, appearing to read 'PBB' followed by a stylized flourish.

Paul B. Baker
Minerals Program Manager

PBB:lah:vs

Enclosure: Copy of amended approved NOI pages

cc: SITLA - Wstokes@utah.gov

P:\GROUPS\MINERALS\WP\M047-Uintah\S0470063-NealState\final\APVL-3586-06172010.doc

3. **Contact Person(s)**

Name: CHIP ZIEGLER Title: V.P.
Address: 366 N. BROADWAY SUITE 210
City, State, Zip: JERICHO NY 11753
Phone: 516-681-9600 Fax: 516-681-9604
Emergency, Weekend, or Holiday Phone: 516-606-1656
E-mail Address: chip@zieglerchemical.com

Contact person to be notified for: permitting (☒) surety (☒) Notices (☒) (please check all that apply)

Name: CATHERINE ZIEGLER Title: V.P.
Address: 943 WOODBRIDGE BLVD.
City, State, Zip: LANCASTER PA 17601
Phone: 717-393-1172 Fax: 888-208-6240
Emergency, Weekend, or Holiday Phone: 717-725-1006
E-mail Address: Catherineziegler@comcast.net

Contact person to be notified for: permitting (☒) surety (☒) Notices (☒) (please check all that apply)

Registered Utah Agent (as identified with the Utah Department of Commerce) (if individual leave blank):

Name: MCKEACHNIE LAW OFFICES P.C. GAYLE MCKEACHNIE
Address: 2575 W. HWY 40
City, State, Zip: VERNAL UTAH 800 84078
Phone: 435-789-4908 Fax: 435-789-4918
E-mail Address: info@mckeachie.com

4. **If Business is a Sole Proprietor:**

Name of Owner: N/A Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

If Business is a Corporation:

Name of Officers: Gordon S. Ziegler Jr Title: PRES
CATHERINE Ziegler Title: V.P.
chip Ziegler Title: V.P.

Headquarters Address: 366 N. BROADWAY SUITE 210
City, State, Zip: JERICHO NY 11753
Headquarters Phone: 516-681-9600 Fax: 516-681-9604
E-mail Address: Catherineziegler@comcast.net

If Business is a Limited Liability Company: Member Managed G Manager Managed G

Name of 1st Member/Manager: N/A Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

Name of 2nd Member/Manager: N/A Title: DIV. OIL GAS & MINING
Business Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail Address: _____

5. Provide a brief **description of the proposed mining operation** and onsite processing facilities (add extra pages if necessary). _____

SEE ATTACHED "PROPOSED MINE PLAN"

6. ☒ **New Road(s)**: Length NEAL 4 1800 (ft) Width 16 (ft) (1.67 acres)
7. ☐ **Improved Road(s)**: Provide a description of the improvements that need to be made to existing roads to access the site, including the Length length NEAL 5 1700 ft (ft) and Width width 16 ft (ft) (1.63 acres) of new disturbances.

8. Total project surface **acreage to be disturbed**: NEAL 4 89 (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount - see #VI).
9. Proposed **startup date** (month, year) NEAL 5 JUNE 2010
10. Proposed **completion date**, if known (month, year) DEC 2014

IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover or within practical limits. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at https://fs.ogm.utah.gov/pub/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf.

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to mining.

APPROVED

JUN 17 2010

DIV. OIL GAS & MINING

RECEIVED

JUN 14 2010

DIV. OF OIL, GAS & MINING

ZIEGLER CHEMICAL

EXISTING ROAD

-109 15.116, 39 49.018

-109 15.1, 39 48.972

PROPOSED ROAD
APPROX. 1700 FT
0.63 ACRES DISTURBANCE

-109 15.099, 39 48.943

T11S R24E Sec. 32

-109 15.109, 39 48.915

PROPOSED MINE
NEAL # 5
DISTURBANCE = 0.89 ACRES

APPROVED

JUN 17 2010

DIV. OIL GAS & MINING

RECEIVED

JUN 14 2010

DIV. OF OIL, GAS & MINING

-109 15.11, 39 48.875

-109 15.054, 39 48.829

-109 15.084, 39 48.816



1 inch = 200 feet